

EARLY CHILDHOOD SERVICES AGREEMENT

THIS EARLY CHILDHOOD SERVICES AGREEMENT (this "Agreement") is made and entered into as of the ____ day of August, 2013 (the "Effective Date"), by and between Harris County Department of Education (the "Department") and Harris County School Readiness Corporation (the "Corporation").

RECITALS:

A. The Department is a county school district and political subdivision of the State of Texas located within Harris County, Texas and as such, the Department may perform any act consistent with law for the promotion of education in Harris County, may expend tax funds for the equalization of educational opportunities in Harris County, and has the power to contract with private entities to develop, establish, provide and deliver services and programs designed to increase the number of children in Harris County who arrive at kindergarten ready for school.

B. The Corporation is a Texas non-profit corporation created and organized to provide, or contract to provide, the services and programs described herein in order to increase the number of children in Harris County who arrive at kindergarten ready for school.

C. The Department desires to work collaboratively with the Corporation in order to leverage the expertise and resources of the private sector so as to better address the educational needs of young children in Harris County, Texas. The Department's Board of Trustees expressly finds that the public purpose of increasing the number of children in Harris County who arrive at kindergarten ready for school is a legitimate public purpose on which to expend tax proceeds.

D. The Corporation desires to work collaboratively with the Department in order to provide innovative and creative solutions to the challenges faced by young children and their parents in Harris County, Texas with regard to educational opportunities and readiness for school.

E. It is the desire of the Department and the Corporation to enter into this Agreement to memorialize their agreement and understanding regarding their public/private partnership to provide services and programs designed to increase the number of children in Harris County who arrive at kindergarten ready for school.

AGREEMENT:

NOW THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Services and Programs. The Department hereby engages the Corporation, and the Corporation hereby accepts the Department's engagement, to provide, or cause to be provided, the services and programs described on Exhibit A attached hereto and made a part hereof (the "Services"). The Services shall be performed solely and exclusively in Harris County, Texas. The Corporation shall identify the Department as a partner organization and include the Department's logo on all printed materials and in all presentations relating to the Services or this

Agreement; the Department grants the Corporation a limited, non-exclusive license to use its logo for the limited purposes and uses expressly stated herein. The Department recognizes that the Corporation will use subcontractors to provide the Services. The Corporation will be responsible for awarding subcontracts for the performance of the Services as the Corporation deems reasonable and appropriate given the experience and expertise of the applicable subcontractors; provided, however, the Corporation shall develop and approve no later than December 31, 2013, written procurement guidelines and procedures which will include conflict of interest rules in conformity with Form 1023 promulgated by the Internal Revenue Service and applicable to non-profit organizations and which will be modeled after the best practices currently used by non-profit corporations for the procurement of similar services in order to ensure transparency in such procurement, with such guidelines and procedures of the Corporation to be subject to the review and final approval of the Department Representative. The Department shall be eligible to perform the Services as a subcontractor. The Corporation shall be fully responsible to the Department for all acts and omissions of the Corporation's subcontractors just as the Corporation is responsible to the Department for the Corporation's own acts and omissions. Nothing in this Agreement shall create for the benefit of any such subcontractor any contractual relationship between the Department and any such subcontractor, nor shall it create any obligation on the part of the Department to pay or to see to the payment of any moneys due any such subcontractor except as may otherwise be required by law. The Corporation shall provide the Department with copies of all subcontracts entered into by the Corporation. The Services described in Exhibit A hereto and the written procurement procedures described in this Section 1 shall be subject to review and revision from time to time by the parties jointly and in conformity with the provisions of Section 25 hereof.

2. Payment Terms.

(a) A petition effort has been initiated to seek a referendum on November 5, 2013, under Chapter 18 of the Texas Education Code approving the levy by the Department of an additional ad valorem tax in an amount of \$0.01 per \$100 of assessed valuation (the "Additional Tax") to be used solely for early childhood education purposes to improve the success of Harris County children in kindergarten and beyond (the "Referendum"). The Department agrees that, upon the approval of the Referendum and subject to the provisions of Section 8 hereto, the proceeds of the Additional Tax will be used only to pay for services to be provided by or on behalf of the Corporation pursuant to the terms of this Agreement and for no other purposes (except as otherwise expressly provided in this Agreement).

(b) As consideration for performing the Services, or causing the Services to be performed, the Department agrees to pay to the Corporation the sum of \$1,906,770.00 on February 3, 2014. A preliminary budget regarding the Services to be performed in calendar year 2014 is set forth on Exhibit B attached hereto. Further, on or before February 3, 2015, the Department shall pay to the Corporation from the proceeds of the Additional Tax, the aggregate sum set forth on the budget attached hereto as Exhibit C as being the total proposed expenditures for the Services for fiscal year beginning on September 1, 2014 and ending on August 31, 2015. Upon request of the Department Representative, the Corporation agrees to update, and provide more detail, regarding the budgets attached hereto as Exhibits B and C. In addition, on or before each April 15 in

each year during the term of this Agreement thereafter, the Corporation shall submit to the Department a budget showing the projected expenditures to be made by the Corporation in connection with the Services for the twelve (12) month period beginning on the next September 1. No later than March 15th of each year, the Corporation will hold a public workshop with the Board of Trustees of the Department regarding each proposed budget in order to solicit comments and input from the Board of Trustees of the Department as to each proposed budget. This budget workshop will also include a written presentation to, and discussions with, the Board of Trustees of the Department concerning the Corporation's goals and operational plans for the Services for the coming year.

(c) Subject to the Department's right of Non-Appropriation and termination as described in Section 8 hereof, the Department shall pay to the Corporation the amount shown on the budget on or before the first February 3rd occurring after the Corporation's submission of the budget to the Department.

(d) Subject to the Department's right of Non-Appropriation and termination as described in Section 8 hereof and otherwise notwithstanding anything to the contrary contained in this Agreement, the Department's liability for payments to the Corporation hereunder shall be limited to the proceeds of the Additional Tax collected and received by the Department, and the Department hereby agrees to levy the Additional Tax in an amount sufficient, up to the maximum levy authorized in the Referendum, in order to fulfill its obligations to the Corporation under this Section 2. In the event that on any payment date the Department does not have on hand sufficient proceeds of the Additional Tax in order to pay the Corporation in full the payment then due, the Department shall make payment to the Corporation on such payment date with the proceeds of the Additional Tax on hand and thereafter make monthly supplemental payments to the Corporation as proceeds of the Additional Tax are received by the Department. With regard to the payments due on February 3, 2015 and each year thereafter, the Department shall deduct therefrom any amounts from the immediately previous year's payment that remain unspent and uncommitted by the Corporation (including any interest earned on any such funds by the Corporation) as of August 31, with the Corporation being hereby required to provide the Department with a written report detailing any such unspent and uncommitted funds as of each October 15; provided, however, the parties recognize the need for the Corporation to maintain a sufficient reserve on hand to cover its expenditures incurred for any portion of a fiscal year that occurs prior to the Corporation's receipt of payment from the Department (and the Corporation may include such a reserve in its budgets) and no such reserve shall be considered unspent or uncommitted for the purposes of this Section 2(d).

(e) Notwithstanding anything to the contrary contained in this Agreement, in the event this Agreement is terminated for any reason, the Corporation shall, within thirty (30) days of the effective date of termination of this Agreement, refund to the Department all residual and unencumbered funds provided to the Corporation by the Department.

(f) Notwithstanding anything to the contrary contained in this Agreement, the Department may use the proceeds of the Additional Tax collected by the Department to

reimburse itself the amount of \$1,906,770.00 (which is the amount that the Department paid to the Corporation on February 3, 2014, from funds other than the proceeds of the Additional Tax).

(g) The Department expressly maintains control of its governmental functions and does not transfer control of its governmental functions to the Corporation. The Department's payment of funds as described in this Agreement is subject to the adequate controls detailed herein, including, without limitation, the Department's performance of the Administrative Services, the Department's right to audit, the provisions regarding Non-Appropriation, and other controls.

(h) In performing the Services in exchange for the payment(s) stated herein, the Corporation shall ensure that the proceeds of the Additional Tax are used only to supplement and not supplant the funds currently funding the early childhood education programs being served, with the understanding that any decrease in philanthropic funding as a result of the proceeds of the Additional Tax being available will not violate the terms of this sentence and the proceeds of the Additional Tax may be used in lieu of such previous philanthropic funding. The Corporation shall distribute the proceeds of the Additional Tax and select the subcontractors to perform Services under this Agreement according to neutral, secular criteria. The Corporation shall cause contracts to be executed between the Corporation and its subcontractors wherein the subcontractors are contractually bound not to divert any aid provided to them related to this Agreement to any use or purpose other than early childhood education, including, without limitation, religious use. The Corporation shall establish adequate safeguards, including monitoring and periodic inspections, of its subcontractors, to ensure compliance with the obligations imposed on them by the Corporation. The Corporation further agrees that it shall include in each contract with any subcontractor the following provisions: the subcontractor shall agree that proceeds of the Additional Tax are used only to supplement and not supplant the funds currently funding the early childhood education programs being served; the subcontractor shall distribute the proceeds of the Additional Tax and select the early childhood education programs being served under this Agreement according to neutral, secular criteria; the subcontractor shall establish adequate safeguards, including monitoring and periodic inspections, of the early childhood education programs served by the subcontractor; and a provision that allows for the termination of such subcontract if the work or services provided pursuant to such subcontract, in the determination of the parties, do not comply with the requirements set forth in this subsection above. The Corporation agrees that it shall also include in each contract with any subcontractor provisions requiring the subcontractor to enter into a contract with each early childhood education program being served pursuant to this Agreement wherein the early childhood education program agrees not to divert any aid provided to it related to this Agreement to any use or purpose other than early childhood education, including, without limitation, religious use.

(i) The Department is a tax-exempt political subdivision of the State of Texas, and the Department shall not pay taxes for goods and/or services provided under this Agreement. The Corporation and all subcontractor(s) of the Corporation shall pay all federal, state, and local taxes applicable to their operation and any persons employed by

the Corporation and all subcontractors of the Corporation, including, without limitation, any federal, state, or local income, sales or excise taxes of the Corporation, subcontractors, or their respective employees. If applicable, contributions required under federal, state, and/or local laws and regulations and any other costs including, but not limited to, transaction privilege taxes, unemployment compensation insurance, Social Security, and Worker's Compensation, shall be the sole responsibility of the Corporation or its subcontractors. The Department shall not be liable for any taxes resulting from this Agreement, and the Corporation agrees to make payment of any taxes of any type that are levied against the Department as a result of the provision of the Services under this Agreement.

(j) As to reimbursements for reasonable, out-of-pocket expenses incurred by members of the Board of Directors of the Corporation and the staff of the Corporation in furtherance of the mission of the Corporation, the members of the Board of Directors of the Corporation and the staff of the Corporation will adhere to the rules and procedures with regard thereto that are from time to time binding on the members of the Board of Trustees of the Department and the staff of the Department, or such other written rules and procedures that are approved by the Department Representative. The Board of Directors of the Corporation will adopt policies and procedures delineating the expenditure authority and limitations applicable to the staff of the Corporation, with such policies and procedures to be subject to the reasonable approval of the Department Representative. Members of the Board of Directors of the Corporation will not receive any compensation for their respective service as members of the Board of Directors of the Corporation.

3. Management and Administrative Services by the Department. The Department will provide to the Corporation the management and administrative services described on Exhibit D attached hereto (the "Administrative Services"). The Corporation agrees to pay the Department annually an amount equal to the actual, reasonable, out-of-pocket direct costs incurred by the Department in providing the Administrative Services to the Corporation including for appraisal district fees/costs and costs of collection of the Additional Tax. The Corporation further agrees to pay the Department annually for its allocable indirect costs relating to the provision to the Corporation of the Administrative Services an amount equal to a reasonable percentage of the amount of the Department's actual, reasonable, out-of-pocket direct costs incurred by the Department in providing the Administrative Services to the Corporation, with such percentage to be reasonably agreed upon from time to time by the Corporation and the Department Representative and with such percentage not to be less than five percent (5%) nor greater than fifteen percent (15%). The Department shall provide to the Corporation reasonable documentation supporting the direct costs incurred by the Department in the provision of the Administrative Services. The Department may deduct the amounts owed under this Section 3 from the payment to be made to the Corporation under Section 2 hereof for the applicable year. The Corporation shall employ its own staff including an Executive Director who will have supervisory and overall management responsibility over the affairs of the Corporation.

4. Term. This Agreement shall remain in force and effect, subject to the terms hereof, until December 31, 2023.

5. Financial Reports. The Corporation shall cause its fiscal year to align with the Department's fiscal year. The Corporation shall furnish to the Department, as soon as practicable and, in any event, by no later than December 1 of each year, an audited financial statement for the previous fiscal year prepared by a locally, regionally or nationally recognized public accounting firm in accordance with generally accepted accounting principles applied on a consistent basis, which reflects the income of and expenses incurred by the Corporation during that calendar year. The parties recognize that, as part of the Administrative Services, the Department will cause this audit to be prepared and delivered as required by the terms of the immediately preceding sentence. The Corporation will further provide monthly, interim financial statements to the Department in a format that is reasonably acceptable to the parties. The parties recognize that, as a part of the Administrative Services, the Department will cause these monthly financial statements to be provided and delivered as required by the terms of the immediately preceding sentence. Additionally, the Corporation shall provide to the Department semi-annual evaluations of the Corporation's progress toward its annual goals and the implementation of the operational plans specified in the workshop process described in Section 2(b) hereof. The Corporation shall also provide the Department with a copy of the IRS Form 990 Return of Organization Exempt from Income Tax, filed for such calendar year. If the Corporation invests any of the funds provided to it by the Department, such investment must comply at all times with the terms of the Public Funds Investment Act as applicable to the Department.

6. Performance Criteria. The Corporation will provide, or cause its subcontractors to provide, within ninety (90) days after the end of each fiscal year or less frequently if the Corporation, subject to prior written approval by the Department Representative, determines such to be more cost effective and in the interest of providing more meaningful long-term data, written reports regarding the success and progress of the Services. The performance standards against which the success and progress of the Services, as applicable, will be measured will include:

- (a) external evaluations that document the improvements in the quality of center-based programs serving infants, toddlers, preschool-age children and home-based child care programs serving a range of ages;
- (b) external evaluations that document the improvements in the home environment, parental self-efficacy in handling child behavior, and changes in parent-reported child adjustment;
- (c) external evaluations that document the improvements in provider self-efficacy in assisting parents with child behavior and promoting positive parenting techniques;
- (d) documentation on the movement of child care program quality indicators (i.e. teacher education, family involvement, state licensing compliance) from a lower level to a higher level;
- (e) documentation on the extent to which early education teachers in Harris County are achieving nationally recognized certification in the field of early education;

(f) documentation from school districts on the extent to which children are prepared for kindergarten;

(g) documentation on the extent to which children are reading on grade level by the third grade and performing at or above average on state accountability tests;

(h) reports that provide output data on the number of child care programs, teachers, children and parents participating in the Services;

(i) reports that provide output data on the number of children, parents/families reached by the Services;

(j) reports that provide output data on the number of providers and agencies delivering the Services;

(k) survey/interview feedback from parents, child care program directors and teachers on the value and impact of the initiative in moving programs toward higher quality and better preparing children for kindergarten;

(l) survey feedback from parents on the value and impact of the parenting support they received;

(m) survey feedback from the providers and agencies delivering parent education support on the value and impact of the services in their community;

(n) decrease in rates of substantiated child maltreatment in communities served; and

(o) such other evaluations, documentation, reports, or other indications of performance, success, and progress with respect to the Services, as reasonably determined by the Board of Trustees of the Department upon reasonable notice to the Corporation prior to the beginning of any fiscal year of the Corporation.

7. Records and Audit Rights. For a period of four (4) years after the end of the calendar year to which they pertain, the Corporation shall keep and maintain complete and accurate books, records and accounts relating to this Agreement, the Services, and all expenditures in connection therewith. The Corporation, at its expense, shall provide to the Department and/or the Department's authorized representative(s), upon request, access during normal business hours and copies of the books, records and accounts relating to this Agreement, the Services, and all expenditures in connection therewith.

8. Appropriation. The obligations of the Department under this Agreement which require an expenditure or the payment of money are subject to an Appropriation and accordingly (a) shall constitute a current expense of the Department in the fiscal year in which an obligation applies and (b) shall not constitute indebtedness of the Department pursuant to the Constitution of the State of Texas or within the meaning of any applicable law. Nothing herein shall constitute a pledge by the Department of any funds, other than funds designated pursuant to a lawful Appropriation from time to time, to pay any money or satisfy any other obligation under

any provision of this Agreement. The Department will cause the appropriate officers of the Department to include in its proposed annual budget the sums necessary to satisfy such payment obligations contemplated hereunder and request the Board of Trustees of the Department to make the necessary Appropriation of such sums for such purposes. Notwithstanding the foregoing or anything herein to the contrary, no provision of this Agreement, including this Section, shall be construed to be an obligation of the Department to obtain an Appropriation, or to obligate the Department in any way which would result in the obligations of the Department under this Agreement constituting indebtedness pursuant to the Constitution of the State of Texas or within the meaning of any applicable law on the part of Department. Texas Local Government Code Section 271.903 and its provisions regarding non-appropriation of funds for multi-year contracts shall apply to this Agreement. Notwithstanding any other provision of this Agreement or obligation imposed on the Department by this Agreement, the Department shall have the right to terminate this Agreement without default or liability to the Corporation resulting from such termination, effective as of the expiration of each fiscal year of the Department, if it is determined by the Department, in the Department's sole discretion, that an Appropriation not be made. If a Non-Appropriation occurs, the Department shall provide the Corporation written notice of such Non-Appropriation within thirty (30) days after the Non-Appropriation. As used herein, "Appropriation" means with respect to any payment obligation or other monetary obligation of the Department that may from time to time exist or arise under this Agreement during a fiscal year, the approval and setting aside by the Department of an adequate amount of funds to satisfy the payment obligation or other monetary obligation of the Department. As used herein, "Non-Appropriation" means and shall be deemed to have occurred with respect to any payment obligation or other monetary obligation of the Department that may arise under this Agreement during any fiscal year, if the Department intentionally determines to Non-Appropriate or otherwise fails to make an Appropriation within sufficient time to meet its payment obligations under this Agreement.

9. Default and Remedies. If either party believes that the other party has defaulted under the terms of this Agreement, the non-defaulting party must send written notice detailing the nature of the alleged default of the alleged defaulting party. The alleged defaulting party shall have a period of thirty (30) days after receipt of such notice to cure such alleged default to the reasonable satisfaction of the non-defaulting party; provided, however, if such alleged default cannot reasonably be cured within such thirty (30)-day period despite such alleged defaulting party's diligent good faith efforts, such alleged defaulting party shall have such additional time to cure such alleged default as is necessary so long as such alleged defaulting party promptly commences its diligent good faith efforts to cure such alleged default within the thirty (30)-day period and diligently prosecutes such cure in good faith to completion. Upon the failure of the alleged defaulting party to cure the alleged default as set out above or to in good faith diligently prosecute such cure to completion, the non-defaulting party will have the right to pursue all remedies available at law or equity as a result of such alleged default, including the right to terminate this Agreement upon thirty (30) days' additional written notice to the alleged defaulting party if such alleged default is not cured within such additional thirty (30)-day period.

10. Cooperation. The parties shall make reasonable efforts to work together to resolve any differences or disputes arising under this Agreement, including involving the Superintendent of the Department and the Chairman of the Board of the Corporation with regard thereto.

11. Nondiscrimination. The Corporation will, in the conduct of its business as a private, non-profit corporation, seek to encourage contracting with small, minority and disadvantaged business enterprises. The Corporation agrees not to discriminate against or segregate any person, or group of persons, on account of sex, marital status, race, color, creed, religion, national origin or ancestry, age (except where based on a bona fide occupational qualification), limited English proficiency, or handicapping conditions in the selection of employees, subcontractors or the performance of the Services. The Corporation further agrees that every subcontract entered into for the performance of the Services shall contain a provision requiring non-discrimination in employment as herein specified or hereafter specified in writing by the Department's Board of Trustees, binding upon each subcontractor.

12. Department Representative. Upon the execution of this Agreement, the Department shall designate in writing to the Corporation the name of the individual who is to be the Department Representative with full authority to execute any and all instruments and to otherwise act on behalf of the Department with respect to its activities arising out of this Agreement. The Department shall have the right, from time to time, to change or replace the Department Representative by giving the Corporation written notice thereof. Any consent, approval, decision or determination hereunder by the Department Representative shall be binding on the Department; provided, however, that the Department Representative shall not have any right to modify, amend or terminate this Agreement. The Corporation, and any person or entity dealing with the Department in connection with this Agreement or any matter governed by this Agreement, may rely and shall be fully protected in relying upon the authority and capacity of the Department Representative to act for and bind the Department in any such matter, except with respect to any modification, amendment or termination of this Agreement.

13. Governance. Within 60 days of the approval of the Referendum, the Corporation shall amend its Bylaws to effect the following structures of the Board of the Corporation, and the Corporation and the Department shall make the following appointments to implement the structure.

(a) Board of Directors. The Board of Directors of the Corporation (the "Board") shall be comprised of a Chair (appointed as provided below and who will be the presiding officer of the Corporation and who shall serve for an initial four-year term) and eight Directors (each appointed as provided below and who shall each serve staggered four-year terms as provided below). The Chair and all Directors must be residents of Harris County, Texas. For the avoidance of doubt, the Chair shall be considered a member of the Board of Directors for all purposes.

(b) HCDE Directors. Director Positions 1, 2, 3 and 4 (collectively, the "HCDE Directors") shall be appointed by the Board of Trustees of the Harris County Department of Education. The persons appointed as HCDE Trustees must meet the applicable eligibility criteria therefor set forth herein.

(c) Other Directors. The initial appointees to Director Positions 5, 6, 7 and 8 (collectively, the "Other Directors"), shall be made by the interim Directors of the Corporation with their respective successors to be appointed by an affirmative vote of a

majority of the remaining Other Directors. The persons appointed as Other Directors must meet the applicable eligibility criteria therefor set forth herein.

(d) Chair. The Chair shall be appointed by an affirmative vote of a majority of each of the HCDE Directors and the Other Directors. The person appointed as Chair must meet the applicable eligibility criteria therefor set forth herein.

(e) Terms. The Directors and the Chair shall serve staggered four-year terms as follows (i) the initial appointees to Positions 1 and 5 shall each serve an initial term expiring on August 31, 2014, (ii) the initial appointees to Positions 2 and 6 shall each serve an initial term expiring on August 31, 2015, (iii) the initial appointees to Positions 3 and 7 shall each serve an initial term expiring on August 31, 2016 and (iv) the initial person appointed as Chair and the initial appointees to Positions 4 and 8 shall each serve an initial term expiring on August 31, 2017. Thereafter, the applicable terms of the Directors and the Chair shall each expire on the fourth anniversary of the applicable term then expiring.

(f) Term Limits. The Directors and the Chair may not serve more than two consecutive full four-year terms.

(g) Removal. Any Director and the Chair may be removed at any time, with or without cause, by written notice to the Director and the Chair (unless the Chair is to be removed) or the Secretary of the Corporation (if the Chair is to be removed) but only pursuant to the applicable procedure by which such Director or the Chair, as applicable, was appointed. Further, any Director and the Chair may be removed by an affirmative vote of a majority of the other members of the Board if such Director or the Chair, as applicable, has been convicted of a misdemeanor involving moral turpitude or a felony.

(h) Vacancy. A vacancy in any applicable Position and the Chair, whether due to resignation, death or removal, may be filled only pursuant to the procedure by which such Director or the Chair, as applicable, was appointed, and the person filling such vacancy shall have as an initial term the same remaining term as that of his or her predecessor.

(i) Eligibility Criteria.

a) The four HCDE Directors shall have the following credentials: Position 1 — a person who has substantial experience and a record of distinguished leadership in public elementary and secondary education; Position 2 — a person who has substantial experience and a record of leadership in community college teaching and administration; Position 3 — a person who has substantial experience and a record of distinguished leadership in teaching and administration in higher education; and Position 4 — a person who has had a distinguished career as a researcher or a service provider in early childhood education.

b) The four Other Directors shall have the following credentials: Position 5 — a respected and established business leader who has substantial

financial expertise; Position 6 — a community leader with a record of commitment to early childhood care and education; Position 7 — an established leader in the faith-based community; and Position 8 — a civic leader who has substantial experience and a distinguished record of leadership in the non-profit sector.

c) The Chair shall be a person with widely acknowledged leadership experience and success in the public and private sectors

(j) Quorum. A quorum of the Board required to transact business shall be a majority of all members of the Board which includes at least two HCDE Directors and two Other Directors. All decisions of the Board shall require an affirmative vote of a majority of the members of the Board present and voting at a meeting at which a quorum is also present; provided, however, any action required or permitted to be taken at a meeting of the Board may be taken without a meeting so long as a consent in writing, setting forth the action so taken, is signed by all of the members of the Board.

14. Corporation Representative. Upon the execution of this Agreement, the Corporation shall designate in writing to the Department the name of the individual who is to be the Corporation Representative with full authority to execute any and all instruments and to otherwise act on behalf of the Corporation with respect to its activities arising out of this Agreement. The Corporation shall have the right, from time to time, to change or replace the Corporation Representative by giving the Department written notice thereof. Any consent, approval, decision or determination hereunder by the Corporation Representative shall be binding on the Corporation, provided, however, that the Corporation Representative shall not have any right to modify, amend or terminate this Agreement. The Department, and any person or entity dealing with the Corporation in connection with this Agreement or any matter governed by this Agreement, may rely and shall be fully protected in relying upon the authority and capacity of the Corporation Representative to act for and bind the Corporation in any such matter, except with respect to any modification, amendment or termination of this Agreement.

15. Department Representations, Warranties and Covenants. The Department represents, warrants and covenants to the Corporation the following:

(a) Organization. The Department is a public body corporate and politic and a political subdivision of the State of Texas. The Department has all requisite power and authority to enter into this Agreement.

(b) Authorization; No Violation. Subject to voter approval of the Additional Tax, the execution, delivery and performance by the Department of its rights and obligations under this Agreement are within the power of the Department and have been duly authorized by all necessary action. This Agreement has been, duly executed and delivered by the Department and this Agreement constitutes a valid and binding obligation of the Department.

(c) Litigation. No suit is pending before or by any court or governmental body seeking to restrain or prohibit or seeking damages or other relief in connection with

the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby.

(d) No Conflicts. This Agreement is not prohibited by, and does not conflict with, any other agreements, instruments, resolutions or judgments to which the Department is a party or is otherwise subject.

(e) No Violation of Laws. The Department has not received notice asserting any noncompliance in any material respect by the Department with applicable statutes, rules and regulations of the United States, the State of Texas, or of any other state or municipality or any agency having jurisdiction over and with respect to the transactions contemplated in and by this Agreement, and the Department is not in default with respect to any judgment, order, injunction or decree of any court, administrative agency or other governmental authority which is in any respect material to the transactions contemplated hereby.

16. Corporation Representations, Warranties and Covenants. The Corporation represents, warrants and covenants to the Department the following:

(a) Organization. The Corporation is a non-profit corporation organized under the laws of the State of Texas. The Corporation has all requisite power and authority to enter into this Agreement.

(b) Authorization; No Violation. The execution, delivery and performance by the Corporation of its rights and obligations under this Agreement are within the power of the Corporation and have been duly authorized by all necessary action. This Agreement has been, duly executed and delivered by the Corporation and this Agreement constitutes a valid and binding obligation of the Corporation.

(c) Litigation. No suit is pending before or by any court or governmental body seeking to restrain or prohibit or seeking damages or other relief in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby.

(d) No Conflicts. This Agreement is not prohibited by, and does not conflict with, any other agreements, instruments, resolutions or judgments to which the Corporation is a party or is otherwise subject.

(e) No Violation of Laws. The Corporation has not received notice asserting any noncompliance in any material respect by the Corporation with applicable statutes, rules and regulations of the United States, the State of Texas, or of any other state or municipality or any agency having jurisdiction over and with respect to the transactions contemplated in and by this Agreement, and the Corporation is not in default with respect to any judgment, order, injunction or decree of any court, administrative agency or other governmental authority which is in any respect material to the transactions contemplated hereby.

17. Independent Contractor. It is understood and agreed that the relationship of the Corporation to the Department, and the Department to the Corporation, shall be that of an independent contractor. Nothing contained in this Agreement or inferable herefrom shall be deemed or construed to (a) make the Corporation the agent, servant or employee of the Department or the Department the agent, servant or employee of the Corporation or (b) create any partnership, joint venture or other association between the Corporation and the Department. Any direction or instruction by the Department in respect of the Services shall relate to the results the Department desires to obtain from the Services, and shall in no way affect the Corporation's independent contractor status as described herein. Any direction or instruction by the Corporation in respect of the Administrative Services shall relate to the results the Corporation desires to obtain from the Administrative Services, and shall in no way affect the Department's independent contractor status as described herein. The Corporation, its directors, employees, agents, and subcontractors expressly recognize and agree that nothing herein shall permit the Corporation, its directors, employees, agents, or subcontractors to assert any participation in or claim of benefits provided by or relating to the Teachers Retirement System of the State of Texas.

18. Waiver of Performance. The failure of either party to insist, in any one or more instances, on the performance of any of the terms, covenants or conditions of this Agreement, or to exercise any of its rights under this Agreement, shall not be construed as a waiver or relinquishment by such party of such term, covenant, condition or right with respect to further performance.

19. Governing Law. This Agreement will be governed, construed and enforced in accordance with the laws of the State of Texas.

20. Attorneys' Fees. If either party places the enforcement of this Agreement, or any part hereof, or the exercise of any remedy herein provided, in the hands of an attorney who institutes an action or proceeding upon the same (either by direct action or counterclaim), the non-prevailing party shall pay to the prevailing party its reasonable attorneys' fees and costs of court. In addition to the foregoing award of attorneys' fees to the prevailing party, the prevailing party shall be entitled to its attorneys' fees incurred in any post-judgment proceeding or action to collect or enforce the judgment. This provision is separate and several and shall survive the expiration or earlier termination of this Agreement or the merger of this Agreement into any judgment on such instrument.

21. Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, the legality, validity and enforceability of the remaining provisions of this Agreement shall not be affected thereby, and this Agreement shall be liberally construed so as to carry out the intent of the parties to it.

22. Notices. Any notice, request or other communication required or permitted to be given under this Agreement shall be given in writing by delivering it against receipt for it, by depositing it with an overnight delivery service or by depositing it in a receptacle maintained by the United States Postal Service, postage prepaid, registered or certified mail, return receipt requested, addressed to the respective parties at the addresses shown herein (and if so given, shall be deemed given when mailed). Notice sent by any other manner shall be effective upon

actual receipt by the party to be notified. Actual notice, however and from whomever given or received, shall always be effective when received.

Any notices to the Department shall be addressed as follows:

Harris County Department of Education
6300 Irvington Blvd.
Houston, Texas 77022
Attention: Superintendent

Any notices to the Corporation shall be addressed as follows:

Harris County School Readiness Corporation
6005 Westview
Houston, Texas 77055
Attention: Executive Director

Either party's address for notice may be changed at any time and from time to time, but only after thirty (30) days' advance written notice to the other party and shall be the most recent address furnished in writing by one party to the other. The giving of notice by one party which is not expressly required by this Agreement will not obligate that party to give any future notice.

23. Parties in Interest. The terms of this Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their permitted successors and assigns. Nothing in this Agreement, whether express or implied, shall be construed to give any person or entity (other than the parties hereto and their permitted successors and assigns) any legal or equitable right, remedy or claim under or in respect of any terms or provisions contained in this Agreement or any standing or authority to enforce the terms and provisions of this Agreement. Neither party may assign this Agreement without the prior written consent of the other party; provided, that, nothing herein shall prohibit the Corporation from entering into subcontracts as provided and permitted herein. Any attempted assignment of this Agreement in violation of the terms hereof shall be null and void.

24. Further Assurances. Each of the parties, at all times and from time to time hereafter, and upon reasonable written request to do so, will make, do, execute, deliver, or cause to be made, done, executed and delivered, all such further acts, deeds, instruments, assurances, and things as may be required for more effectually implementing and carrying out the true intent and meaning of this Agreement.

25. Reasonableness. The parties will act in accordance with the principles of good faith and fair dealing in the performance of this Agreement. Unless expressly provided otherwise in this Agreement, (a) where this Agreement requires the consent, approval, or similar action by a party or its representative, such consent, approval, or other similar action will not be unreasonably withheld, conditioned, or delayed and (b) wherever this Agreement gives a party or its representative a right or obligation to determine, require, specify, or take similar action with respect to a matter, such determination, requirement, specification, or similar action will be reasonable and timely.

26. Limitation of Liability.

(a) NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, NEITHER PARTY OR SUCH PARTY'S OFFICERS, DIRECTORS, TRUSTEES OR EMPLOYEES WILL BE LIABLE TO THE OTHER FOR ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGE, COST, EXPENSE OR OTHER LIABILITY, INCLUDING LOSS OF REVENUE OR PROFITS, WHETHER ARISING OUT OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, OR ANY OTHER CAUSE OF OR FORM OF ACTION WHATSOEVER. Nothing contained in this Agreement is intended to waive, nor will be construed as waiving, any party's statutory limitation of liability for actual damages provided by applicable laws.

(b) In no event will any elected official or employee of the Department or any director, officer or employee of the Corporation have any personal liability for actions taken by such individual in good faith in the course of carrying out his or her responsibilities on behalf of the Department or the Corporation, respectively, pursuant to this Agreement.

27. Criminal History Review. Prior to commencing any work under this Agreement, the Corporation must certify, on the form provided by the Department, that for each covered employee of the Corporation who will have direct contact with students or children, the Corporation has obtained, as required by Texas Education Code Section 22.0834: (a) state criminal history record information from a law enforcement or criminal justice agency or a private entity that is a consumer reporting agency governed by the Fair Credit Reporting Act (15 U.S.C. Section 1681 et seq.) for each covered employee of the Corporation employed before January 1, 2008 and (b) national criminal history record information for each employee of the Corporation employed on or after January 1, 2008. The Corporation must also obtain similar certifications of compliance with Texas Education Code Chapter 22's requirements from any subcontractors on the form provided by the Department. Covered employees with disqualifying criminal history are prohibited from serving at the Department or in connection with this Agreement. Further, the Corporation and any subcontracting entity may not permit a covered employee to provide services at a school or in connection with this Agreement if the employee has been convicted of a felony or misdemeanor offense that would prevent a person from being employed under Tex. Educ. Code § 22.085(a) (i.e., Title 5 felony or an offense requiring registration as a sex offender and victim was under 18 years of age or was enrolled in a public school at the time the offense occurred).

28. Compliance with Laws. The Corporation shall comply with all federal, state, and local laws, statutes, ordinances, rules, and regulations applicable to its performance of the Services. The Corporation shall also at all times during the term of this Agreement maintain its status as a Texas non-profit corporation. During the term of this Agreement, the Corporation shall maintain all required licenses, certifications, permits, and any other documentation necessary for it to perform its obligations under this Agreement. When required or requested by the Department, the Corporation shall furnish the Department with satisfactory proof of the Corporation's compliance with this provision.

29. Confidentiality/Public Information. The Corporation and the Department agree to secure the confidentiality of all information and records in accordance with applicable federal and state laws, rules, and regulations. The Corporation acknowledges that the Department is subject to the Texas Public Information Act, and the Corporation waives any claim against and releases from liability the Department, its officers, employees, agents, and attorneys with respect to disclosure of information provided under or in connection with this Agreement or otherwise written, produced, collected, assembled, or maintained by the Department and/or the Corporation and determined in accordance with the terms of the Texas Public Information Act by the Department, the Attorney General of Texas, or a court of law to be subject to disclosure under the Texas Public Information Act. The Corporation, to the extent required by law, agrees to comply with the requirements of the Texas Public Information Act.

30. Insurance. The Corporation is required to provide the Department with copies of insurance, naming the Department as an additional insured, for Texas Workers' Compensation and General Liability Insurance. Certificates of Insurance, name and address of the Corporation, the limits of liability, the effective dates of each policy, and policy number shall be delivered to the Department prior to commencement of any services under this Agreement. The insurance company insuring the Corporation shall be licensed in the State of Texas and shall be reasonably acceptable to the Department. The Corporation shall give the Department a minimum of ten (10) days' notice prior to any modifications or cancellation of said policies of insurance. The Corporation shall itself, and shall require all subcontractors performing any Services under or relating to this Agreement to, maintain coverage as specified below.

Minimum Insurance Requirements:

- The Corporation shall, at all times during the term of this Agreement, maintain insurance coverage with not less than the type and requirements shown below. Such insurance is to be provided at the sole cost of the Corporation or its subcontractors. These requirements do not establish limits of the Corporation's or its subcontractors' liability.
 - All policies of insurance shall waive all rights of subrogation against the Department, its officers, employees, and agents.
 - Upon request, certified copies of original insurance policies shall be furnished to the Department.
 - The Department shall be named as an "additional insured" on all insurance policies.
 - The Department reserves the right to require additional insurance should the Department deem additional insurance reasonably necessary, in the Department's sole discretion, to protect the Department.
- A. Workers' Compensation (with waiver of subrogation to the Department) Employer's Liability, including all states, U.S. Longshoremen, Harbor Workers and other endorsements.

- B. Statutory, and Bodily Injury by Accident: \$100,000 each employee. Bodily Injury by Disease: \$500,000, policy limit \$100,000 each employee. Commercial General Liability Occurrence Form including, but not limited to, Premises and Operations, Products Liability Broad Form Property Damage, Contractual Liability, Personal and Advertising Injury Liability and where the exposure exists, coverage for watercraft, blasting collapse, and explosions, blowout, catering and underground damage.

- \$300,000 each occurrence Limit Bodily Injury and Property Damage combined
- \$300,000 Products-Completed Operations Aggregate Limit \$500,000 per Job Aggregate
- \$300,000 Personal and Advertising Injury Limit

C. Automobile Liability Coverage

- \$300,000 Combined Liability Limits Bodily Injury and Property Damage Combined

31. **INDEMNIFICATION. THE CORPORATION SHALL INDEMNIFY AND HOLD THE DEPARTMENT HARMLESS FROM ALL CLAIMS, LIABILITIES, COSTS, SUITS OF LAW OR IN EQUITY, EXPENSES, ATTORNEYS' FEES, FINES, PENALTIES OR DAMAGES ARISING FROM THE ACTS OR OMISSIONS OF THE CORPORATION, THE CORPORATION'S EMPLOYEES, AGENTS, OR SUBCONTRACTORS, IN CONNECTION WITH THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, USE OF THE PROCEEDS OF THE ADDITIONAL TAX.** The Corporation's obligations under this Section shall survive acceptance and payment by the Department.

32. **General.** The masculine and neuter genders used in this Agreement each includes the masculine, feminine and neuter genders, and whenever the singular number is used, the same shall include the plural where appropriate, and vice versa. Wherever the term "including" or a similar term is used in this Agreement, it shall be read as if it were written "including by way of example only and without in any way limiting the generality of the clause or concept referred to." The headings used in this Agreement are included for reference only and shall not be considered in interpreting, applying or enforcing this Agreement. All exhibits described in this Agreement as being attached to it are hereby incorporated into it. The words "shall" and "will" as used in this Agreement have the same meaning. This Agreement shall not be modified or amended in any manner except by a writing signed by all the parties hereto. This Agreement represents the entire and integrated agreement between the parties with respect to the subject matter hereof. All prior negotiations, representations or agreements not expressly incorporated into this Agreement are hereby superseded and canceled. The parties acknowledge and represent that this Agreement has been jointly drafted by the parties, that no provision of this Agreement will be interpreted or construed against any party solely because that party or its legal counsel drafted such provision and that each of them has read, understood, and approved the language

and terms set forth herein. This Agreement may be executed in multiple counterparts, each of which shall constitute but one agreement. All signatures need not be on the same counterpart.

33. Effective Date. The parties acknowledge that this Agreement shall not be effective unless and until the approval by a majority of the voters in Harris County, Texas of the Referendum on November 5, 2013. Should the Referendum not be approved by a majority of the voters in Harris County, Texas, this Agreement shall be null and void and automatically terminate.

DRAFT

EXECUTED as of the date first set out above.

**HARRIS COUNTY DEPARTMENT OF
EDUCATION**

By: _____
Name: _____
Title: _____

**HARRIS COUNTY SCHOOL READINESS
CORPORATION**

By: _____
Name: _____
Title: _____

DRAFT

EXHIBIT A

Description of the Services

Funds will be used to provide the following services:

Initial Efforts:

- Modify, regionalize, as needed, a public awareness campaign (developed by Texas Early Learning Council contractor) on importance of quality early education and include the Department as a listed partner.
- Implement Harris County-wide campaign to raise public awareness of importance of quality early education to reduce achievement gap and improve workforce development and include the Department as a listed partner.
- Modify Texas Quality Rating System (developed by Texas Early Learning Council contractor) for region, starting with existing Gulf Coast system – Collaborative for Children's QualFind (rating system for early education programs).
- Build database to manage recommended professional development system, i.e. track service delivery, link teacher progress to quality rating system, and evaluate progress of early education teachers and overall program quality.
- Design governance and decision-making structure to support the allocation of resources to improve early education for young children as well as evaluation of process.
- Staff administration and operations to adequately support grant making, governance process.

Early Childhood Program Development (On-going Staff Training/Technical Assistance, Incentive System for Child Care Staff, and Equipment/Materials):

- Create and implement quality improvement action plans (based on Environment Rating Scale and other appropriate assessments) for each participating early childhood program in Harris County.
- Visit participating programs and classrooms on-site at least twice a month to support programs in implementing action plans.
- Create and implement customized staff training and development plan for participating programs.
- Provide coaching and mentoring on early childhood best practices to program staff.
- Design and implement leadership training for child care center directors.
- Provide innovative training opportunities for child care staff and family child care home providers.
- Identify and recommend equipment and materials to be purchased to enhance children's development. Purchase equipment and materials and ensure effective and appropriate utilization.
- Create and implement action plans to enhance parental involvement at participating early childhood programs.
- Provide mentoring on accreditations and certifications to programs.
- Report quarterly regarding status of participating programs and staff.
- Identify and recommend professional development opportunities for program directors and staff.

- Facilitate progress and completion of the Child Development Associate and early childhood education degree processes for early childhood program staff.
- Create and implement system for wage supplementation incentives.
- Create and implement system for professional development scholarship incentives.
- Create resource and book libraries for parents in child care centers.
- Create and implement system for operating grants to maintain quality of programs that have successfully completed intensive quality improvement project.

Early Childhood Program Evaluation:

- Conduct annual early education program assessments using Environment Rating Scale instruments and other appropriate assessment tools to assess progress and outcomes.
- Secure external evaluator to provide annual report detailing outputs and outcomes and other reports as needed to inform program plan adjustments.
- Provide service and assessment information to the external evaluator as needed for compilation of evaluation reports.

Early Childhood Program Research and Development:

- Develop new/improved strategies to improve the quality of services.
- Develop local and statewide infrastructure plans to support quality early childhood education.

Parent Education Program Planning

- Meet with community organizations and identify providers to be trained
- Identify which evidence-based parent education programs to have providers trained in such as Triple P and Parents as Teachers
- Create memorandums of understanding with community organizations that will receive funding to have their staff trained in Triple P
- If needed, recruit and hire parent educators
- Develop training schedule

Parent Education Program Implementation and Technical Assistance

- Provide technical support to community organizations on how to successfully recruit parents to attend classes and how to successfully integrate parent support programs into their current services
- Coordinate peer support network for parent educators

Parent Education Program Training Services

- Coordinate the training of approximately 1,000 providers in evidence-based parent education curricula in a 2 -3 day training. *(Number of individual providers may be less if individual providers are trained in multiple levels).*
- Accredit trained providers in evidence-based parent education curricula during an accreditation workshop

Parenting Classes

- Provide funding to individuals and agencies to offer parenting support programs
- Order and distribute materials for parenting classes

Parent Education Program Referral Services

- Develop database and website to track available parenting classes
- Support community organizations, parent educators, and parents in finding parenting classes

Parent Education Program Media Services

- Solicit proposals from marketing firms to develop a media campaign to decrease the stigma associated with attending parenting classes and inform parents of the availability of parenting support programs
- Identify marketing firm to develop media campaign and in partnership with marketing firm and community partners create marketing campaign
- Through public service announcements, flyers, radio, television, internet, billboards, etc., implement media campaign

Parent Education Program Evaluation

- Develop survey instruments to provide to parents before attending a parent support program and after attending a parent support program to measure changes in knowledge, attitudes, behavior, and child's behavior
- Create and implement data collection protocols for parent surveys and parent attendance records.
- Collect, compile, and analyze data to measure the impact of the parenting support programs.

EXHIBIT B

Estimated Budget for Year 2014

| Component | Amount |
|--|--------------------|
| Staff administration and operations to adequately support contract oversight (<i>phased-in in year 1</i>) : | |
| Personnel, salaries + benefits (Executive Director, Contract Manager, Admin. Coordinator) ¹ | \$317,708 |
| Operating expenses, i.e., small equipment, office supplies, copying, postage | \$19,062 |
| Search Firm for Executive Director (if services donated, could fall to \$0) | \$25,000 |
| Professional Development (training for staff, board members) | \$10,000 |
| Develop strategic plan with board of HCSRC to review "We Can Achieve School Readiness" plan, develop process for plan implementation through RFP process, develop mission, vision, governing principles for HCSRC, expected outcomes of initiative, description of evaluation component (contract facilitator, strategic planning expert) | \$25,000 |
| Design governance structure to allocate resources to improve early education for young children as well as external evaluation of process (staff to work with knowledgeable community volunteers, expenses associated with meeting expenses and materials) | \$15,000 |
| Review "We Can Achieve School Readiness" plan in effort to incorporate/reflect needs of children with learning disabilities and children with language and cultural differences. Make recommendations on how to make sure needs of these populations/communities are reflected in RFP process and service delivery (contracts with experts in children with learning disabilities and multiple languages/cultures) | \$75,000 |
| Design website for Harris County School Readiness Corporation to include information about organization, board, background of planning process, implementation process, RFP, social media component; ongoing services to update website, manage social media for HCSRC (contract) | \$100,000 |
| Develop communications tools, letterhead, etc.; print materials (contract) | \$20,000 |
| Design RFP process documents, instructions, timeline, description of review process, role of Professional Advisory Committee (early education experts) in proposal review (printing, incorporating information/materials into website for electronic submission, set up internal database to track applications, status, decisions, etc.) | \$50,000 |
| Recruit Professional Advisory Committee made up of experts in Early Childhood Education to provide input to HCSRC board on proposals from contractors on service delivery (meeting expenses, etc.) | \$15,000 |
| Disseminate RFP's through multiple communications vehicles (meetings, various media sources) | \$10,000 |
| Regionalize, as needed, existing state public awareness campaign on importance of high quality early education. Implement regional public awareness campaign to raise parent and public's awareness of importance of high-quality early education to reduce achievement gap and improve workforce development (contract materials, media buys, pre/post surveys to measure impact on awareness) | \$875,000 |
| Assess regional implementation of use of Texas Early Learning Council tools for early education system development (contract with Texas Early Learning Council) | \$100,000 |
| Build infrastructure to track service delivery of parenting resources for families of young children (contract, involving community input on service delivery models, tracking of service delivery from multiple providers, external evaluation of results of services) | \$100,000 |
| Build infrastructure to track service delivery of early education quality improvement services, professional development services, research projects to explore improved practice and system improvements (contract, involving community input on service delivery models, tracking of service delivery from multiple providers, external evaluation of service outcomes) | \$100,000 |
| Select independent, external evaluator to assess RFP process and, once services have been contracted, to assess both the RFP process and outcomes of services | \$50,000 |
| Total² | \$1,906,770 |
| ¹ Tax supported salaries and benefits will be consistent with comparable positions at Harris County Department of Education | |
| ² Net of payment to Harris County Department of Education for administrative services, office space, etc. | |

Exhibit C

Estimated Budget for Year 2015

| Component | Amount |
|--|---------------------|
| Staff administration and operations to adequately support grant making: | |
| Personnel, salaries + benefits (Executive Director, Contract Manager, Admin. Coordinator) ¹ | \$403,287 |
| Program expenses, i.e., equipment, supplies, copying | \$15,000 |
| Independent, external evaluation services (to assess both process and outcomes of services) | \$500,000 |
| Funding for on-going best practice research in early childhood program service delivery | \$800,000 |
| Continue regional campaign to raise parent and public awareness of importance of high-quality early education to reduce achievement gap and improve workforce development (contract, materials, media buys, pre/post surveys to determine impact of campaign) | \$750,000 |
| Maintain databases to track service delivery for parenting services (available to all parents of young children), child care quality improvement services (focusing on lower to moderate quality programs) and professional development services (available to all early education programs); link teacher progress to quality rating system, and evaluate progress of early education teachers and overall program quality (contract) | \$250,000 |
| Deliver early childhood education program quality improvement services including development of quality improvement plans, resources to improve director/teacher credentials (formal education), professional development, classroom equipment and materials, outdoor resources and teacher stipends for attaining educational milestones (contract) ² | \$12,600,000 |
| Train parent educators, produce parenting materials, conduct parent education media campaign and deliver parent education services, including parenting resources, parent seminars, consultation with parents on specific concerns, parenting discussion groups, series of parent education sessions, and some intensive, individualized parent support (contract) ³ | \$3,500,000 |
| Total ⁴ | \$18,400,000 |

¹ Tax supported salary and benefits numbers represents 12 months of services, up from gradual staffing in 2014. Salary levels will be consistent with comparable positions at Harris County Department of Education.

² Cost estimates are based on ten-year model informed by successful local child care quality improvement interventions.

³ Cost estimates based on ten-year model informed by local analysis of evidence-based parenting support programs.

⁴ Total number is net of payments to Harris County Department of Education for administrative services, office space and equipment.

EXHIBIT D

Administrative Services to be Provided by the Department

1. Appropriate office space, including furniture and office equipment (including computers and telephones), for three to five persons, including the Corporation's Executive Director. Custodial services, utilities, parking, meeting space and other tenant services consistent with the Department's current practices shall be included.
2. IT services for the Corporation's staff consistent with the Department's current practices.
3. Accounting and financial services, including investment management. The Department shall provide periodic financial reports as reasonably required by the Corporation, including an annual financial report prepared by an independent auditor.